

**WARREN CITY COUNCIL
REGULAR MEETING
JANUARY 16, 2012 – 7:30 PM**

OPENING OF REGULAR MEETING

Mayor Mark Phillips presided over the January 16, 2012 regular meeting of Warren City Council in Council Chambers of the Municipal Building and opened the meeting with the Pledge of Allegiance. Mayor Phillips stated that Council met in executive session immediately prior to this meeting for the discussion of property and personnel matters.

ROLL CALL

Members present and responding to roll call were: Mayor Phillips, Mr. Cashman, Dr. Ferguson, Mr. Harvey, Mr. Lewis, Mr. Park, and Mr. Zavinski. Mr. Nelles, Mr. Gustafson, Mr. Hildebrand, Mr. Holtz, Mrs. Leary, Chief Pascuzzi, Mr. Sceiford, Ms. Stapleford, Chief Zydonik, and Sgt. Deppen of City staff were also in attendance.

PROCLAMATION – MARTIN LUTHER KING, JR. DAY

Mayor Phillips presented a proclamation honoring Dr. Martin Luther King, Jr. Mayor Phillips proclaimed the day as *Martin Luther King, Jr. Day* in Warren and encouraged all citizens to share in reflecting on Dr. King's legacy.

APPROVAL OF MINUTES

Upon motion by Mr. Zavinski and second by Mr. Cashman, the minutes of the December 19, 2011 Regular Meeting were unanimously approved.

Upon motion by Mr. Cashman and second by Dr. Ferguson, the minutes of the January 3, 2012 Organizational Meeting were unanimously approved.

RECOGNITION OF VISITORS

Mayor Phillips welcomed all visitors. Present were:

- Terry Williams – 1635 Irvine Road, Irvine, PA
- Corky Fry – 2 Woodlawn Drive
- Caroline Fry – 2 Woodlawn Drive
- Barb Phillips – 1 Willoughby Street
- Dan Dart – 328 Prospect Street
- Angie Dart – 328 Prospect Street
- Diana Baxter } Baxter Minor Subdivision Application
- Denny Baxter }
- Lenny Gray – 20 Russell Street
- James Embrey – 417 Prospect Street
- Barbara Lucia – member of the West Side Alliance
- John Wortman – 400 West Fifth Avenue (former Junior Council member)
- Robert Dilks, Jr. – 1106 Connecticut Avenue
- J.C. Dolinger – 1105 Connecticut Avenue
- James Schreiber – Eriez Construction
- Julia Tarr – Warren Main Street regarding the Allegheny Center for the Arts building
- Dan Ristau – Warren Main Street regarding the Allegheny Center for the Arts building
- Kathy Johnson – The Point
- Josh Cotton – Times Observer reporter

CORRESPONDENCE

Council members acknowledged receipt of the following correspondence:

- Atlantic Broadband: Notice of rate changes to become effective with the February billing cycle.
- Brian DeMontier, Vice-President – Regional Manager, Northwest Consumer Discount Company: Requesting the removal of parking meters located in front of the Northwest Consumer Discount office located at 220 Liberty Street. Mr. DeMontier noted that Northwest recently opened at this location and indicated that the conduct of their clients business often requires longer than the thirty minutes allotted by the meters.

Chief Zydonik indicated that patrons may utilize the Midtown Parking lot (located directly behind the Northwest office) at no charge for the first half hour versus a charge of twenty-five cents for on-street metered parking. He further stated that he will apprise Mr. DeMontier of the Midtown Parking Lot validation program. Chief Zydonik stated that there may be neighboring businesses for which it is advantageous to retain the on-street metered parking. Following discussion, Chief Zydonik was asked to obtain additional data regarding utilization of the metered parking spaces.

DEPARTMENT REPORTS – DECEMBER, 2011

The following reports were presented to Council:

- Police Department – Presented by Chief Zydonik
- Fire Department – Presented by Chief Pascuzzi
- Department of Public Works – Presented by Michael Holtz
- Building Codes Department – Presented by Alan Gustafson

During the Police Department report, Chief Zydonik noted that Sgt. Brandon Deppen has been appointed to a two-year term as Chair of the Local Emergency Planning Commission. In response to Mr. Harvey's question, Chief Zydonik stated that, beyond the \$100/day special event fee, the City does not charge a fee for services provided in association with special events. Mayor Phillips added that it is not uncommon for organizations to request the City to make a contribution in support of special events and noted that, essentially, a contribution is made via City services provided at no additional cost to the organization.

During the Department of Public Works report, Mr. Park inquired as to the status of the City's request to PennDOT regarding an additional traffic signal left turn arrow at the intersection of Market Street and Pennsylvania Avenue. Mr. Holtz indicated that the City has requested a study of this intersection; however, the timing of the study is at the discretion of PennDOT.

Mr. Gustafson noted that the City has discontinued the provision of Building Code Inspection services in Pittsfield Township.

REQUESTS FOR USE OF CITY PROPERTY

Mr. Nelles presented the following request:

<u>Organization</u>	<u>Event</u>	<u>Property/Street(s)</u>	<u>Date/Time</u>
a. Alzheimer's Association	Walk to End Alzheimer's	Betts Park – western portion	Sat. 9/29/12 9:00 AM to 12:30 PM

Motion to approve made by Mr. Lewis, second by Mr. Park, approved unanimously.

RESOLUTION NO. 2884: BAXTER MINOR SUBDIVISION, 314 FRANK ST., WN-573-639

Mr. Hildebrand stated that Michael Baxter filed a minor subdivision application for WN-573-639 located at 314 Frank Street. The proposed subdivision would amend the current four-lot Scobilt subdivision and create the two-lot Baxter minor subdivision. Lot #1 and Lot #2 would contain 1.799 acres and 0.273 acres respectively. Mr. Hildebrand noted that Mr. Baxter plans to build a residential structure on each parcel. At their December 15, 2011 regular meeting, the City Planning Commission voted to recommend approval of this subdivision.

Upon motion by Mr. Lewis and second by Dr. Ferguson, Council voted unanimously to approve the Baxter Minor Subdivision.

SOLID WASTE LICENSES

Mr. Nelles stated that in accordance with provisions of Ordinance 1342, as amended, applications and annual renewals for solid waste licenses are to be submitted to the City Manager for review. Solid Waste License renewal applications and invoices have been sent to the following haulers. It is requested that issuance of solid waste licenses be authorized subject to receipt of satisfactory applications and renewal fees.

RESIDENTIAL/COMMERCIAL AND INDUSTRIAL

Fitch Disposal – application and renewal fee received
Veolia Environmental Services
Jones-Carroll, Inc. – application and renewal fee received

COMMERCIAL/INDUSTRIAL ONLY

Casella Waste Management of NY, Inc.

Upon motion by Mr. Park and second by Mr. Zavinski, Council members voted unanimously to approve the issuance of Solid Waste licenses to Fitch Disposal and Jones-Carroll, Inc.

Upon motion by Mr. Cashman and second by Mr. Harvey, Council members voted unanimously to approve the issuance of Solid Waste licenses to Veolia Environmental Services and Casella Waste Management of NY, Inc. upon receipt of satisfactory applications and renewal fees.

AGREEMENT: HOMELAND ENERGY VENTURES EXTENSION OF WELL SITE ASSIGNMENT

Mr. Nelles stated that at the September 19, 2011 regular meeting, Council approved an extension of an existing agreement with Homeland Energy Ventures for completion of the development of well sites located at the City DPW complex. Due to internal restructuring, Homeland was unable to complete the development prior to the November 17, 2011 expiration of the agreement extension. Therefore, Homeland Energy Ventures (now in association with South Haven Energy) has requested an additional extension to the Assignment of Well Sites. The proposed Assignment would expire on June 30, 2012. The City has received assurances that the company is now in a position to proceed with the horizontal drilling of these sites as had been previously approved by Council. Mr. Nelles noted that in lieu of a standard drilling fee, Homeland Energy will sponsor a Summer Playground Program day trip to a Pittsburgh Pirates baseball game in 2012 (\$4500 donation).

Barbara Lucia, member of the West Side Alliance, questioned whether the wells would be for the production of oil and/or natural gas and whether any Marcellus Shale wells are planned within the City. Mr. Harvey explained that any off-gases resulting from extraction of oil will also be recovered and sold by Homeland. He further explained that the land requirements for development of Marcellus Shale wells would preclude any such drilling within the City.

Dr. Ferguson made the motion to approve the extension of the Well Site Assignment to Homeland Energy Ventures through June 30, 2012. The motion was seconded by Mr. Harvey and carried unanimously.

SOLICITOR'S STATEMENT REGARDING RECEIPT OF PUBLIC COMMENTS

Ms. Stapleford stated, "I am hoping, by these comments, to lay a framework for the balance of the meeting. ... I just wanted to share with everybody the purpose and the goals of how people, whether it is through public comment, or whether it is by being on the agenda, the purpose of people being able to get up and speak is to provide information to Council that is productive and that is a matter of concern for City Council. This is not the place for threats and for accusations. It is the place to provide constructive, productive information to Council on an item of interest or on something that Council is going to take official action on. My hope tonight is that we can stay focused, that we can share that information, ask any questions that Council may have of the information that is provided, and target the discussions in that regard."

ERIEZ CONSTRUCTION ADDRESS TO COUNCIL

(See also: December 19, 2011 City Council Regular Meeting Minutes, Allegheny Center for the Arts) Mayor Phillips noted that Jim Schreiber, President of Eriez Construction, requested an opportunity to address City Council regarding the Allegheny Center for the Arts (ACA) buildings for which his firm was contracted to perform building renovations. Prior to the meeting, Council members were provided with copies of documentation submitted by Mr. Schreiber and detailing his efforts to come to a resolution with the Warren Business District Coalition (WBDC) Board/Warren Main Street regarding outstanding invoices due to his company.

Prior to addressing Council, and in response to Mayor Phillips' questions, Mr. Schreiber affirmed that he had not communicated with the Mayor in the past sixty days and that it was of his own accord that he requested an opportunity to address Council.

Mr. Schreiber referenced the documents provided for Council's review and briefly addressed their content, those items being: (1) an e-mail submitted by Mr. Schreiber to the WBDC Board on November 3, 2011 outlining the third and final proposed agreement with Warren Main Street, (2) a proposed transfer agreement, (3) a proposed WBDC resolution (consent of board of directors), (4) correspondence to City Manager dated November 14, 2011 stating his desire to "establish a dialogue with the City to explore how the issues and matters that have compromised the ACA Building Project can be rectified," and (5) a timeline of events relative the Allegheny Center for the Arts Project. Mr. Schreiber stated that three proposals were presented to Warren Main Street and, at present, he considers each to be "off the table." He further stated that he presently seeks the amount due for goods and services provided and does not seek satisfaction of the full contract amount.

Mr. Nelles stated that issues began to arise when representatives of GRO-Warren signed a construction contract with Eriez Construction in the amount of \$800,000 when, in fact, actual funds available were slightly over \$300,000. He further stated that the representatives believed that additional funding, including State grant funding, would be forthcoming. However, these funds did not come to fruition.

Dr. Ferguson referenced the "dispassionate third party audit" of the Anchor Building Grant-to-Loan scheduled to commence on January 17 and suggested that the parties again meet to seek a viable remedy following receipt of the audit findings.

Mr. Lewis suggested that, alternatively, Eriez Construction could exercise its mechanics lien against the properties. Lack of action by the parties involved could result in the properties being placed for Tax Claim sale due to real estate taxes that are in arrears. Dr. Ferguson cautioned that such an alternative may not result in full development of the properties and may not be in the best interest of the people of the City.

MAIN STREET ADDRESS TO COUNCIL

(See also: December 19, 2011 City Council Regular Meeting Minutes, Allegheny Center for the Arts) Dan Ristau, representing Warren Main Street, addressed Council and restated many of the concerns he presented at the December 19, 2011 regular meeting of City Council including his assertions that funds relating to the Allegheny Center for the Arts (ACA) Project and received by GRO-Warren were misappropriated. Mr. Ristau stated that he has been in contact with local realtors regarding the potential revenues that might be realized from the sale or lease of the ACA properties and indicated that he is aware of a potential buyer for the former “Natale” building. Mr. Ristau suggested that the upper floors of the ACA buildings be converted to open concept loft apartments.

In response to Mr. Park’s question, Mr. Ristau stated that Warren Main Street did not accept the third proposal put forth by Eriez Construction as it was their stance that it did not eliminate Main Street’s exposure to “residual liability.”

Dr. Ferguson suggested that the parties work together to develop a plan whereby Eriez Construction would take possession of the ACA buildings and Eriez would agree to hold the present owners harmless. He further suggested that the plan call for recovery of the \$500,000 due to the City under the Anchor Building Grant-to-Loan via an agreement whereby the City would receive a percentage of revenues generated by the lease and/or sale of the properties. Such an agreement would be structured in a manner similar to the twenty-year repayment plan originally agreed to by the City and GRO-Warren and would carry forward with the properties.

Julia Tarr addressed Council and also expressed her concerns regarding the handling of grant monies by GRO-Warren. On behalf of Warren Main Street, Ms. Tarr distributed to Council members a list of questions which she requested be answered by Council. Mayor Phillips noted that it is customary for Council to receive materials relative to agenda topics in advance of the meeting date so that members may have an opportunity to review the matter and be prepared for discussion. As Warren Main Street had declined the opportunity to present materials in advance, Mayor Phillips stated that, on the advice of several Council members and the City Solicitor, he reserved, and invoked, the right to address the stated questions at a special meeting and/or the next regular meeting of City Council.

APPROVED MINUTES OF BOARDS AND COMMISSIONS

Council acknowledged receipt of the following approved minutes:

Blighted Property Review Committee	–	October 27, 2011	Regular Meeting
Planning Commission	–	October 19, 2011	Regular Meeting

ADJOURNMENT

There being no further business to come before Council, Mayor Phillips declared the meeting adjourned.